

HOUSING AUTHORITY OF THE COUNTY OF KING
King County, Washington
July 1, 1991 Through June 30, 1992

Schedule Of Findings

1. The Housing Authority Should Document All Adjustments To Tenants' Gross Income (Section 8 Programs)

Our review of housing authority tenant files disclosed that some files did not have the required documents to support deductions to arrive at a tenant's adjusted income. A number of deductions are permitted to arrive at a tenant's adjusted income for purposes of calculating tenant rents and HUD reimbursements for the Section 8 grant programs. One such deduction is an allowance of \$400 annually for 'any Elderly Family.' The housing authority does not always obtain the necessary documentation to support this deduction.

Section 813.102 of the 24 CFR Chapter VIII defines 'Adjusted Income':

Annual income less the following allowances, determined in accordance with HUD instructions: (b) \$400 for any Elderly Family;

The same section defines 'Disabled Person' as:

A person who is under a disability as defined in section 223 of the Social Security Act, or who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act.

And also defines an 'Elderly Family' as:

A family whose head or spouse (or sole member) is an elderly, disabled, or handicapped person.

The housing authority's policy is to accept either a Social Security certificate or a doctor's statement as evidence that a person applying for Section 8 assistance is eligible for the Elderly Family deduction. Our testing of Section 8 tenant files discovered instances where the prescribed documentation was not present.

The absence of the documentation was apparently overlooked during the annual review of each tenant's income qualification. As Section 8 tenants pay 30 percent of their adjusted income as rent, the effect is to reduce the tenant's rent amount and correspondingly increase the amount reimbursed by HUD each month. For each tenant for which the Elderly Family deduction is not supported, the annual cost to HUD is \$120.

We recommend that all deductions to tenants' gross income be supported with acceptable documentation. We further recommend that all tenants granted the Elderly Family

deduction have in their files either a doctor's statement or a Social Security certificate as documentation supporting the deduction.